

63-5373

3 July 1963

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MEMORANDUM FOR: Under Secretary for Political Affairs
Department of State

SUBJECT : Suggested Topics for Discussions in
Moscow

1. As you requested, I and some of my senior people have jotted down our thoughts on topics and areas of interest that might come up in Moscow.

2. The test ban discussions with the U.S. and U.K. will take place in Moscow under circumstances somewhat different from those Khrushchev probably envisaged when he gave his grudging agreement in early June. There are several new factors. First, there is the President's speech of 10 June and the unusual Soviet republication. Second, there is the sharp turn for the worse in Soviet-Chinese relations. Finally, Khrushchev has given the test ban issue a new twist by tying a partial treaty to an agreement on a NATO-Warsaw Pact nonaggression treaty.

3. The Moscow talks are likely to provide good evidence of Soviet intentions not only on the main topic of the test ban, but on other facets of Soviet policy. The big international issues will almost certainly be raised by Khrushchev. In addition to the major Soviet proposals, there are a number of possible variations or different subjects which might elicit information of value concerning Soviet attitudes.

4. Our suggestions are attached in two lists, one including items of potential intelligence interest, and the second including broader topics which might fully be touched on.

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John A. McCone
Director

Attachments, as stated

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ITEMS OF POTENTIAL INTELLIGENCE INTEREST

1. Almost any conversation with Khrushchev yields intriguing tidbits on many subjects other than main issues under negotiation. For example, in 1959, Khrushchev indicated to Ambassador Harriman that Frol Kozlov was his heir apparent. In the forthcoming conversation, Khrushchev might unbend in this way. Some possible talking points which might elicit important information are offered below.

a. Internal politics: The recent promotion of Brezhnev and Podgorny, together with Kozlov's illness, puts the succession to Khrushchev in a new light. Ambassador Dobrynin implied that foreign policy was subject of internal differences in Kremlin, and even well informed Communist journalists, (Giuseppe Boffa, correspondent for L'Unita, and Fran Barbieri, correspondent for a Yugoslav paper), have reported on Khrushchev's differences with his colleagues.

b. Soviet Economy: It would seem likely that at some point during the Moscow discussions there will be talk about the burden of arms expenditures on our respective economies which would provide an opening for a discussion of probable future trends in Soviet resource allocation. This might reveal the pressures on Khrushchev with respect to emphasis on military spending or on consumer activities; the urgency of additions to improvements in agriculture, housing and consumer welfare generally and the extent to which he intends to accommodate the various pressures that are besieging him at the moment. These questions undoubtedly will be foremost in Khrushchev's mind in connection with the present reshaping of the 1964-65 Plan. While it has been announced that there will be additional emphasis on agriculture, fertilizer production and synthetic fibers there is no indication that housing and other aspects of consumption will also be reemphasized, or whether such additional allocations will be at the expense of defense or basic industrial investment.

c. Agriculture: In view of the stagnation in Soviet agriculture it is important that we be able to calculate Soviet agricultural outputs with reasonable accuracy. Prior to 1958 our estimates of Soviet grain production correlated closely with official Soviet figures. Beginning in 1958 our estimates have increasingly diverged from official Soviet reports to the

point where we judge that the cumulative exaggeration in the official data over the past 5 years has exceeded 100 million tons. In view of the close correlation of these estimates in the past, we wonder if the basis of Soviet statistical reporting has changed.

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Perhaps they have gone back to the earlier reporting definition. Khrushchev might be drawn out on this point if it were suggested that we feel his reports from the farms since 1958 have been grossly inflated.

d. Foreign Aid: Any discussion of economic savings resulting from disarmament could be connected with passing some of these savings to less developed countries. A pertinent question is whether the Soviets have made fundamental reevaluation of their foreign aid program, similar to the review of the US program by General Clay's group.

e. Bloc Economic Relations: After his talks with East European leaders and the Sino-Soviet negotiations, Khrushchev may be in mood to say something about economic relations in Communist world. Of particular interests would be size of Soviet assistance to China, and how the Chinese are paying.

f. China: Current Sino-Soviet negotiations might provoke Khrushchev to be more forthcoming about the general state of Sino-Soviet relations. In many respects US-Soviet relations are better than Soviet relations with China. It seems significant that President Kennedy's speech was published and Chinese letter was not. Is day approaching when US and Soviets have parallel interests in containing Communist China? Are there some areas in which the US and USSR could advantageously collaborate? For example, in India. As Khrushchev supposedly pointed out, the "racial" aspect of Chinese theory and policy has particularly ominous implications. In the present circumstances the US and the USSR have a common interest in preventing or delaying Chinese development of nuclear weapons.

g. Military: Some of Khrushchev's remarks to Harold Wilson suggest he has little use for conventional weapons and forces; does this mean that another cut in Soviet forces is coming? Khrushchev often refers to having to fight his generals on a test ban and other proposals. Is he still fighting? In 1959, Khrushchev told President Eisenhower that he had been arguing with his generals on the value of tactical nuclear weapons. He, Khrushchev, had gravest doubts of their

utility and informed Mr. Eisenhower that he had refused to go forward with their development until the generals could prove to him that they were worth their cost in effort, cash, and fissionable materials. Does Khrushchev still feel the same way, or has he changed his mind?

h. Outer Space: The flight of the man and woman in space might provide a chance to discuss various aspects of space exploration or military uses: Khrushchev's thinking about manned lunar flight, space cooperation with the US, as well as his attitude toward orbital weapons.

i. Cuba: In view of the fact that Governor Harriman last saw Khrushchev on the eve of Castro's arrival in Moscow, this might provide an opportunity to probe Khrushchev's views on Soviet-Cuban relations, the question of US overflights, and the number of Soviet troops remaining in Cuba.

Broader Issues

1. The following subjects might be raised during the Moscow negotiations or might profitably be discussed informally:

a. Contacts: The USSR may be interested in raising the level of, broadening, and regularizing contacts with the US. Harold Wilson has already sounded out Khrushchev's attitude on periodic Summit meetings, making the point that in this context they would cease being the awesome things they now are, and become a normal, calm vehicle for international discussion. In addition, the foreign ministers might plan to meet twice a year in Moscow and Washington to review the international situation; talks could be only US-USSR or four powers; in the interim various ambassadorial sub-groups might be assigned tasks. Similar meetings might be arranged for Ministers of Defense or Chiefs of Staff; bilateral or NATO-Warsaw Pact; regular meetings of US-Soviet officials in fields of industry, agriculture.

b. Mutual Security: Khrushchev has already indicated that the test ban will be linked to the question of European security in his proposal to sign a nonaggression treaty along with a partial test ban. There are possible variations on the Soviet proposal for a NATO-Warsaw Pact non-aggression treaty: a declaration not to use force to change boundaries particularly in Europe; an Eastern Locarno, with US and USSR guaranteeing that boundaries in East Europe will not be changed by force. All NATO and Warsaw Pact members could issue unilateral declarations recognizing the possibility of peaceful coexistence and the non-inevitability of war; previous negotiations on an agreement to ban war propaganda might be revived.

c. Non-proliferation of nuclear weapons: One way around the current impasse might be for NATO, on one hand, and Warsaw Pact on the other, to pledge not to provide nuclear weapons to "other powers" (e.g., China), and if nuclear weapons were disseminated within respective alliances, both sides could pledge not to use them for aggressive purposes or for revision of boundaries; non-nuclear members pledge not to produce weapons.

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f. Civil Air Transport agreement: The Soviets recently mentioned this as an agreement that could be quickly completed.

g. Exchange of intelligence information: US and Soviets might exchange intelligence on nuclear potential of those powers which are capable of producing nuclear weapons in the near term.

h. Economic relations: The Soviets may raise the question of expanding trade with the US. A Soviet exchange delegation recently visited the US and suggested to Secretary Hodes that we should re-examine our trade policy in the context of the President's American University speech. The US might raise the following questions in response: (1) Are the Soviets prepared to discuss a settlement of lend-lease? (2) Would the expanded trade they have in mind be on a pay-as-you-go basis using, among other things, Soviet gold? (3) If they intend to finance an expansion of trade on the basis of US credits, how would the USSR propose to liquidate these credits over the long run?